

THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
FLORENCE DIVISION

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FLORENCE, SC
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SAWGRASS TECHNOLOGIES, INC.,)
a South Carolina Corporation,)

Plaintiff,)

v.)

Ethco, Inc., Color Star Ink,)
Todd Hochrad, Ethan Murray,)
Ink Research, Wholesale Ink,)
John Murray, And Christina)
Murray,)

Defendants.)

Civil Action No.: 4:05-cv-00926 - TLW

CONSENT ORDER

This is an action for patent infringement as set forth in the Complaint of the Plaintiff. None of the Defendants have filed an answer, or heretofore have not made an appearance in this case.

Plaintiff and the undersigned Defendants have agreed to settle all claims involving those Defendants arising out of the Complaint in this action, and therefore consent to the entry of this Consent Order and Judgment. The parties consent to the jurisdiction of the Court, and to venue in this District and in this Division of this Court.

Accordingly, it is hereby stipulated by the parties and hereby ORDERED, ADJUDGED AND DECREED that:

1. The Defendants will not, at any time prior to September 1, 2014, or the expiration of U.S. Patent No. 5,488,907, whichever occurs first, make, use or sell a liquid ink suitable for use in ink jet printers, wherein the ink comprises

sublimation or heat activated dyes, excepting that this Order does not prevent the Defendants from using ink acquired from Sawgrass or its licensees. The Defendants agree that this prohibition applies to any entity owned or controlled by them.

2. All claims of this action against the undersigned Defendants are dismissed with prejudice, and these Defendants waive their right to seek, directly or indirectly, a declaratory judgment regarding the validity or infringement of U.S. Patent No 5,488,907, and agree that this patent is valid and enforceable.

3. The undersigned Defendants recognize that if the Plaintiff litigated the claims alleged against them, these Defendants would potentially have substantial liability for damages stemming from their prior commercial involvement with liquid ink suitable for use in ink jet printers, wherein the ink comprises sublimation or heat activated dyes. The undersigned Defendants further recognize that the Plaintiff has accepted a compromise with regard to damages, and Plaintiff's entry into this Consent Order constitutes a valuable concession.

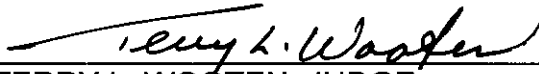
4. Each party shall bear its own costs and attorney's fees. However, if there are proceedings to enforce any provisions of this Consent Order, the prevailing party shall be entitled to recover from the other party attorneys' fees and costs incurred in the enforcement proceedings.

5. This Court retains jurisdiction over the subject matter and the parties hereto for the purpose of any proceedings to enforce this Consent Order and Judgment.

6. The Plaintiff and the undersigned Defendants hereto waive all right to appeal from or obtain review of this Consent Order and Judgment.

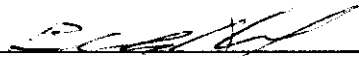
7. Each party has had the opportunity to consult counsel regarding this Consent Order and Judgment.

IT IS SO ORDERED.


TERRY L. WOOTEN, JUDGE,
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
11-29-05

STIPULATED AND AGREED TO:

SAWGRASS TECHNOLOGIES, INC.,
a South Carolina Corporation


By: B. Craig Killough (Federal ID# 2330)
Barnwell Whaley Patterson & Helms
P.O. Drawer H
Charleston, SC 29402
(843) 577-7700

ETHCO, INC.,
a California Corporation

By:
Its:

COLOR STAR INK

By: _____

Todd Hochrad, Individually

INK RESEARCH, LLC

By: John Murray
Its: _____

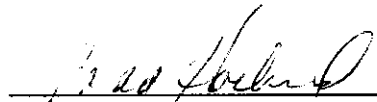
John Murray, Individually

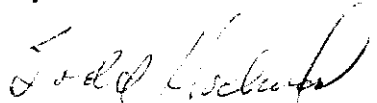
WHOLESALE INK

By: Christina Murray
Its: _____

Christina Murray

COLOR STAR INK


By: Todd Hochrad


Todd Hochrad, Individually

INK RESEARCH, LLC

By: John Murray
Its:

John Murray, Individually

WHOLESALE INK

By: Christina Murray
Its:

Christina Murray